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San Antonio Water System Using Expanded Sewer Monitoring System to Save Ratepayers Millions

A successful pilot program for the San Antonio Water System (SAWS) is expanding to encompass the nation's widest deployment of smart infrastructure in sewer collection systems to lower operating costs by millions of dollars, reduce pressure on rates, and dramatically decrease the risk of sewer overflows.

The San Antonio Water System (SAWS) is in the process of strategically deploying 200 SmartCover Systems real-time remote sensors to keep a high-tech eye on troubled pipeline segments citywide. These units will join more than 300 current sensors used to monitor high risk pipes, increasing the smart monitoring network to more than 500 sites.

This massive deployment is considered the largest of its kind by one of the largest and most innovative utilities in the country. The sensor network continuously monitors sewer flows and provides SAWS with the ability to "see" how its pipelines are faring. The SmartCover network includes a proprietary software platform which puts the right information at the right time at the fingertips of operators so they can make real-time actionable decision-making, leading to saved money and extending the lifetime of pipes.

"Our system is like an EKG for the sewer", said Greg Quist, CEO of SCS. "We combine real-time flow data with advanced analytics to give SAWS the ability to visualize the health of their pipelines and detect small trends that anticipate future problems. Our SmartClean® program provides real-time condition assessment of the collection system and puts SAWS in the position of being proactive rather than reactive."

Resulting data eliminates unnecessary maintenance and redundant cleaning previously scheduled to ensure sufficient flow capacity. Less cleaning reduces operational costs and demands, wear and tear on pipes, and less staff labor, all while maintaining 24/7 protection from overflows. In 2014 alone, the SAWS SmartCover system prevented more than 500 potential sewer system overflows at locations with a high risk due to the structural condition, grease, debris or roots.

The Company recently attracted growth capital from one of the leading water sector investors XPV Water Partners. "We reviewed all the solutions in the market today and chose to partner with SmartCover Systems as they were the only solution that met our high safety, installation track record, and end-to-end solution criteria and truly provides operators with actionable data - saving time, money, and giving them peace of mind", said Dave Henderson, Managing Partner of XPV Water Partners.

Mr. Henderson furthermore commented: "We are very excited about the company's partnership with SAWS as they are one of the leading infrastructure thought leaders and this program provides a

powerful validation of the value of the SmartCover solution, especially since they manage one of the largest sewer networks in the country.”

SAWS leadership and vision has been recognized by AccelerateH2O, the Texas-based organization, focused on bringing innovative practices, novel technologies and water utilities together. “We presented SAWS with the annual Innovator of the Year Award to highlight its early adoption of innovative solutions. We encourage unique approaches and seek solutions such as SmartClean® to demonstrate their capabilities in real-world settings. SAWS and SCS exemplify successful collaborations and partnerships necessary for solving urgent challenges through the internet of things, data analytics and instrumentation that transforms operations and reduces costs for ratepayers”, said Richard Seline, Executive Director of AccelerateH2O.

About SmartCover Systems

SmartCover Systems provides sewer collection systems asset management solutions through Real-Time Condition Assessment™. Utilizing a wide array of applications designed to capture remote data, software and analytics enable informed, actionable decisions resulting in prioritized capital projects. This process lowers operating and capital costs while concurrently enabling improved performance. SmartCover Systems is dedicated to: enabling customers to meet mandated goals; providing solutions resulting in superior operational efficiencies; creating new insights resulting in better utilization of capital; protecting the environment and public health; and providing continuous improvement in the delivery of customer-centric services and solutions.

About XPV Water Partners

XPV Water Partners is comprised of experienced water entrepreneurs, operators, and investment professionals dedicated to making a difference in water. XPV partners with, invests in, and actively supports entrepreneurial companies so they can grow and deliver value for all stakeholders. XPV manages over \$400 million in investment capital from some of the top institutional investors in North America, Europe, the Middle East, and Asia. The XPV family of portfolio companies is making a difference in water both by driving more efficient management of the world’s most critical resource and by creating significant shareholder value that can help move the industry forward.

About AccelerateH2O

Sparked by the 2010 drought of record, AccelerateH2O is the 501c3 Texas water technology initiative, part of the USEPA Environmental Technology Innovation Clusters, formed to connect the world’s best ideas, technologies, expertise, and resources with current and emerging challenges. Texas represents a \$9 billion marketplace across 23 university research center, 7000 public systems, 5000 corporate campuses, and 1000s of farms and ranches – with nearly 1.4 million employees. Through technology roadmaps, the annual InvestH2O Forum, six regional demonstration hubs, and five industry roundtables, AccelerateH2O seeks to address barriers and limitations to innovating water in Texas.